

286.5-760 Receiver appointed when -- Federal agency as receiver -- Procedure.

- (1) If in the judgment of the executive director the public interest requires it, he may apply to a court of general jurisdiction in the county in which the home office of any association is located for the appointment of a receiver. Such court is authorized to appoint a receiver if it finds that such association:
 - (a) Is in an impaired condition; or
 - (b) Is in violation of an order or injunction, as provided in KRS 286.5-740 and 286.5-750, which has become final in that the time to appeal has expired without appeal or a final order entered from which there can be no appeal. The executive director, an examiner or other person may be appointed by the court as receiver, and a certified copy of the order of the court making such appointment shall be evidence thereof. Such receiver shall have all the powers and authority of a conservator, plus the power to liquidate, and shall have such other powers and authority as may be expressed in the order of the court. If the executive director or an examiner is appointed receiver, he shall receive no additional compensation, but if another person is appointed, then the compensation of the receiver, as determined by the court, shall be paid from the assets of the association.
- (2) If the association is an institution insured by the Federal Savings and Loan Insurance Corporation, the Federal Savings and Loan Insurance Corporation shall be tendered appointment as receiver or coreceiver. If it accepts such appointment, it may, nevertheless, make loans on the security of or purchase at public or private sale any part or all of the assets of the association of which it is receiver or coreceiver, provided such loan or purchase is approved by the court.
- (3) The procedure in such receivership action shall be in all other respects in accordance with the practice in the court, including all rights of appeal and review. The directors, officers and attorneys of an association in office at the time of the initiation of any proceeding under this or the preceding section are expressly authorized to contest any such proceeding and shall be reimbursed for reasonable expenses and attorneys' fees by the association or from its assets. Any court having any such proceeding before it shall allow and order paid reasonable expenses and attorneys' fees for such directors, officers and attorneys.

Effective: June 18, 1964

History: Created 1964 Ky. Acts ch. 138, sec. 55, effective June 18, 1964.

Formerly codified as KRS 289.760.

Legislative Research Commission Note (7/12/2006). In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286, and KRS references within this statute have been adjusted to conform with the 2006 renumbering of that code.

Legislative Research Commission Note (6/20/2005). 2005 Ky. Acts chs. 11, 85, 95, 97, 98, 99, 123, and 181 instruct the Reviser of Statutes to correct statutory references to agencies and officers whose names have been changed in 2005 legislation confirming the reorganization of the executive branch. Such a correction has been made in this section.